

State of Hawaii
Department of Health
Adult Mental Health Division

Addendum Number 1

March 10, 2006

To

Request for Proposals

**RFP No. HTH 420-4-06
Outpatient Treatment and Clubhouse
Services for the Waianae Coast
March 3, 2006**

March 10, 2006

ADDENDUM NO. 1

To

**REQUEST FOR PROPOSALS
Outpatient Treatment and Clubhouse Services for the Waianae Coast
RFP No. HTH 420-4-06**

The Department of Health, Adult Mental Health Division (AMHD) is issuing this addendum to RFP Number 420-4-06, Outpatient Treatment and Clubhouse Services for the Waianae Coast for the purposes of:

- ☐ Responding to questions that arose at the orientation meeting of <Date> and written questions subsequently submitted in accordance with Section 1-V, of the RFP.
- ☒ Amending the RFP.

The proposal submittal deadline:

- ☐ is amended to NA.
- ☒ is not amended.

Enclosed is (are):

- ☐ A summary of the questions raised and responses for purposes of clarification of the RFP requirements.
- ☒ Amendments to the RFP.

Should you have any questions, contact:

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RFP No. 420-4-06, Outpatient Treatment and Clubhouse Services for the Waianae Coast, is amended as follows:

***Sub-
section***

Section 1, Administrative Overview

- | | | |
|--------|-----|--|
| III | 1-2 | <p>Section III, Authority, has been deleted and replaced with the following paragraphs.</p> <p>This RFP is issued under the provisions of the Hawaii Revised Statutes (HRS), Chapter 103F and its administrative rules. All prospective applicants are charged with presumptive knowledge of all requirements of the cited authorities. Submission of a valid executed proposal by any prospective applicant shall constitute admission of such knowledge on the part of such prospective applicant. Failure to comply with any requirements may result in the rejection of the proposal.</p> <p>Applicants are advised that the entire RFP, appendices, amendments, memorandum, written responses to questions and answers, and the corresponding proposal shall be a part of the contract with the successful applicant.</p> |
| VII. | 1-4 | <p>A second paragraph has been added to Section 1. VII. Submission of Questions to read as follows.</p> <p>Only correspondence coordinated by the RFP Contact Person shall be considered valid. No verbal responses shall be considered as official. All questions regarding the RFP must be directed to the RFP Contact Person.</p> |
| IX. B. | 1-6 | <p>A second and third paragraphs have been added to Section 1. IX. Discussions With Applicants B. After Proposal Submittal Deadline to read as follows.</p> <p>From the issue date of this RFP until an applicant is selected and the selection is announced, communications with State staff may be pursuant to Chapter 3-143-401, Hawaii Administrative Rules (HAR).</p> <p>In order to provide equal treatment to all applicants, questions from applicants shall be submitted in writing and answers to applicants shall be distributed to all known interested parties.</p> |

- XI. 1-6 A second paragraph has been added to Section 1. XI. Additional Materials and Documentation read as follows.

The Adult Mental Health Division (“DIVISION”) reserves the right to conduct an on-site visit to verify the appropriateness and adequacy of the applicant’s proposal before the award of the contract.

- XVII. 1-8 The second paragraph in Section 1. XVII. Rejection of Proposals has been deleted and replaced with the following paragraph.

A proposal may be automatically rejected for any one or more of the following reasons: (Relevant sections of the Hawaii Administrative Rules for Chapter 103F, HRS, are parenthesized)

- (1) Rejection for failure to cooperate or deal in good faith. (Section 3-141-201, HAR)
- (2) Rejection for inadequate accounting system. (Section 3-141-202, HAR)
- (3) Late proposals. (Section 3-143-603, HAR)
- (4) Inadequate response to request for proposals. (Section 3-143-609, HAR)
- (5) Proposal not responsive. (Section 3-143-610 (1), HAR)
- (6) Applicant not responsible. (Section 3-143-610 (2), HAR)
- (7) Proof of collusion among applicants, in which case all proposals involved in the collusive action shall be rejected and any participant to such collusion shall be barred from future bidding until reinstated as a qualified applicant.
- (8) An applicant without a DIVISION approved repayment plan that is in arrears on existing contracts with the State or has defaulted on previous contracts.
- (9) An applicant shows any noncompliance with applicable laws.
- (10) An applicant’s lack of financial stability and viability.
- (11) An applicant adds any provisions reserving the right to accept or reject an award, or enters into a contract pursuant to an award, or adds provisions contrary to those in the solicitation.

- XVIII. 1-8 A fourth, fifth, sixth, and seventh paragraphs have been added to Section 1. XVIII. read as follows.

Upon receipt and acceptance of the winning proposal, the DIVISION shall initiate the contracting process. The applicant who has been awarded a contract shall be notified in writing that the DIVISION intends to contract with the applicant. This letter shall serve as notification that the applicant should begin to develop

its programs, materials, policies and procedures for the contract. The DIVISION will not reimburse applicants for costs incurred related to services not delivered

If a subcontractor is used, the applicant shall assure the DIVISION that they, as the applicant have the ultimate responsibility that the subcontractors will provide services that meet the criteria of this RFP. The DIVISION must be informed of all subcontractors. The DIVISION reserves the right to approve subcontractors used for the provision of services under this RFP.

The DIVISION reserves the right to review any subcontractor or provider contracts or agreements prior to the notification of award of the contract. Upon award of the contract, the applicant shall submit a plan for implementation of services and shall provide progress/performance reports every two weeks beginning two weeks after the notification of contract award. The format to be used shall be approved by the DIVISION. The purpose of the reports is to ensure that the applicant will be ready to provide services as of the implementation date of the contract and that all required elements are in place. If the applicant is not able to demonstrate readiness to implement the contract, the award shall be withdrawn by the DIVISION and the next qualified applicant shall replace the applicant.

After the award of the contract, prior to implementation, an on-site readiness review will be conducted by a team from the DIVISION and will examine the applicant's staffing, subcontractor and provider contracts, fiscal operations, and other areas specified prior to review.

XXI. 1-9 Section 1. XXI. Monitoring and Evaluation has been deleted and replaced with the following paragraphs.

Any deviation from the contract scope and requirements may result in the penalties described in the temporary withholding of payments pending correction of a deficiency or a non-submission of a report by the provider, in the disallowance of all or part of the cost, or in the suspension of contract services pending correction of a deficiency.

The applicant shall comply with all of the requirements of the RFP and contract and DIVISION shall have no obligation to refer any consumers to the applicant until such time as all of said requirements have been met. The criteria by which the performance of the contract will be monitored and evaluated are:

- (1) Performance/Outcome Measures
- (2) Output Measures
- (3) Quality of Care/Quality of Services
- (4) Financial Management
- (5) Administrative Requirements.

XXII. 1-10 Section XXII. General and Special Conditions of Contract on page 1-10 has been deleted and replaced with the following paragraphs.

The general conditions that will be imposed contractually are on the SPO website (See paragraph II, Website Reference). Special conditions may be also be imposed contractually by the state purchasing agency, as deemed necessary. Terms of the special conditions may include, but are not limited to, the requirements as outlined in Section 5, Attachment C.

A. Termination of the Contract

1. This contract may terminate or may be terminated by the DIVISION for any or all of the following reasons:
 - a. For any default by the applicant
 - b. For necessity or convenience
 - c. In the event of the insolvency of or declaration of bankruptcy by the applicant
 - d. In the event sufficient appropriated; otherwise unobligated funds no longer exist for the payment of the DIVISION obligations hereunder.

2. Procedure for Termination

The applicant shall:

- a. Stop work under the contract on the date and to the extent specified in the notice of termination.
- b. Notify the consumers of the termination of the contract and arrange for the orderly transition to the new provider.

- c. Place no further orders or subcontracts for materials, services, or facilities, except as may be necessary for completion of the work under the portion of the contract that is not terminated.
- d. Terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the notice of termination.
- e. Assign to the DIVISION in the matter and to the extent directed by the DIVISION Chief of the right, title, and interest of the applicant under the orders or subcontracts so terminated, in which case the DIVISION shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.
- f. With the approval of the DIVISION Chief, settle all outstanding liabilities and all claims arising out of such termination of orders or subcontracts, the cost of which would be reimbursable in whole or in part, in accordance with the provisions of the contract.
- g. Complete the performance of such part of the work as shall not have been terminated by the notice of the termination.
- h. Take such action as may be necessary, or as the DIVISION Chief may direct, for the protection and preservation of any and all property or information related to the contract which is in the possession of the applicant and in which the DIVISION has or may acquire an interest.
- i. Within ten (10) working days from the effective date of the termination, deliver to the DIVISION copies of all current data files, program documentation, and other documentation and procedures used in the performance of the contract at no cost to DIVISION. The applicant agrees that the DIVISION or its agent shall have a non-exclusive, royalty-free right to the use of such documentation.

3. Termination Claims

After receipt of a notice of termination, the applicant shall submit to the DIVISION Chief any termination claim in the form and with the certification prescribed the DIVISION Chief. Such claim shall be submitted promptly but in no event later than sixty (60) days from the effective date of termination. Upon failure of

the applicant to submit its termination claims within the time allowed, the DIVISION Chief may, subject to any review required by the State procedures in effect as of the date of execution of the contract, determine, on the basis of information available to him/her, the amount, if any, due to the applicant by reason of the termination and shall thereupon cause to be paid to the applicant the amount to be determined.

Upon receipt of notice of termination, the applicant shall have no entitlement to receive any amount of lost revenues or anticipated profits or for expenditures associated with this or any other contract. The applicant shall be paid only the following upon termination:

- a. At the contract price(s) for the number of consumers serviced by the applicant at the time of termination; and/or
- b. At a price mutually agreed by the applicant and the DIVISION.

In the event of the failure of the applicant and the DIVISION to agree in whole or in part as to the amounts with respect to costs to be paid to the applicant in connection with the total or partial termination of work pursuant to this article, the DIVISION shall determine on the basis of information available the amount, if any, due to the applicant by reason of termination and shall pay to the applicant the amount so determined.

The applicant shall have the right to appeal any such determination made by the DIVISION.

B. Extension of Contract

Options for renewal or extension shall be based on the applicant's satisfactory performance of the contracted services(s) and availability of funds.

Extensions beyond the award period will be time limited in order to accomplish specific short-term goals of the DIVISION. An extension beyond the award period does not imply further extensions once the extension date has ended.

C. Dispute Resolution

Any disputes concerning a question of a fact arising under the contract, which is not disposed of by an agreement shall be decided by the DIVISION Chief or his/her duly authorized

representative. The decision shall be in writing and forwarded to the applicant. The decision shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or as grossly erroneous as necessary to imply bad faith. In connection with any dispute proceeding under this clause, the applicant shall be afforded an opportunity to be heard and to offer evidence in support of his/her dispute. Pending final decision of a dispute, the applicant shall proceed diligently with the performance of the contract in accordance with the disputed decision.

Section 2, Service Specifications

No Changes

Section 3, Proposal Application Instructions

No Changes

Section 4, Proposal Evaluation

No Changes

Section 5, Attachments

No Changes